



NEWS RELEASE

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USDA RURAL DEVELOPMENT DEPUTY UNDER SECRETARY ANNOUNCES \$24.5 MILLION FOR NEW YUMA HOSPITAL

FORT MORGAN, Colo., Oct. 13, 2005 – Agriculture Deputy Under Secretary for Rural Development Allan Johnson joined U.S. Senator Wayne Allard in Fort Morgan today to present ceremonial checks totaling over \$26 million in loan and grant funding to several Northeast Colorado entities, including \$24.5 million to finance construction of a new hospital in Yuma.

“A modern hospital is essential to any rural community and this hospital will serve the residents of Yuma and Washington counties for decades to come,” said Johnson. “This project furthers the Bush Administration’s commitment to provide rural Americans with access to primary and preventive health care services.”

A 12-bed critical access replacement hospital will be constructed to serve Yuma County and the eastern portion of Washington County. The current hospital, licensed for 22 beds, was built in 1949 and renovated in 1996 to include a physician’s clinic. Over the last few years, the hospital has experienced an increase in use and additional space was needed for outpatient services, patient rooms, growth in individual departments, surgical patient preparation and recovery, and building systems updates.

Under the Community Facilities Program, USDA Rural Development will provide a \$7 million direct loan and a \$17.5 million loan guarantee for the project. Guaranteed community facilities loans are available to develop essential community facilities in areas and towns of up to 50,000 in population.

“We are so proud to be able to finance the Yuma Hospital. This will be the largest Community Facility project funded in Colorado. This hospital will greatly enhance the delivery of health care in Northeastern Colorado and supports the Bush Administration’s Critical Access Hospital Initiative,” said Joe Hostetler, Acting State Director, USDA Rural Development.

Also announced today:

The Holyoke Fire Protection District received a \$25,000 Community Facilities Grant from USDA Rural Development. The funds will be used to purchase a first attack fire truck. This equipment will allow firefighters to fight prairie fires more effectively.

Three Colorado entities received funds under the Value Added Producer Grant program. L. Johnson Farms, LLC received \$28,500 to prepare a marketing plan for the production of Onion Nuggets. Mountain View Harvest Cooperative received a \$73,500 grant to establish a strategic wheat sourcing-to-flour milling to bakery venture. The cooperative's farmer-owners in Colorado, North Carolina, South Dakota, and California will produce specialty wheat varieties. The milling partner will then supply the flour directly to the Cooperative's farmer owned bakery – Gerard's Bakery in Longmont, CO. The EYC Wind Group received a grant for \$150,000 to operate a 10 Megawatt wind energy project which will be constructed by December 2005.

The EYC Cure Wind Farm, LLC; the EYC Helling Wind Farm, LLC, and the EYC Lenz Wind Farm, LLC each received \$500,000 Renewable Energy and Energy Efficiency Grants from USDA Rural Development. In Fiscal Year 2004, the group also received a Value Added Agriculture Product Market Development Grant for \$128,000 from USDA. The entity utilized the funding to prepare a feasibility study and business/marketing plan regarding developing a wind project on land in East Yuma County (EYC). The results showed that the wind resource is of high quality. All three entities expect to have construction complete within the next nine months and to be operational as early as the fall of 2006.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. Rural Development provides investment and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at any of Colorado's eight local USDA Rural Development offices or by visiting the web site at <http://www.rurdev.usda.gov/co/index.htm>.

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